

ANNEX D: FINANCE AND LOGISTICS**D-1. CONCEPT OF OPERATIONS**

Under the Federal Response Plan, FEMA grants to DOT (Department of Transportation) the authority to obligate funds with the issuance of a Mission Assignment. This obligational authority allows DOT/FAA to establish a reimbursable agreement. FAA headquarters then obtains or transfers reimbursable funding to the current operations appropriation for use during the disaster.

D-2. ACCOUNTING CLASSIFICATION

An accounting classification will be created using the following structure:
7/X01.5/6802/600/XXXX

Where:

Agency/Region = 7 will always be Southern Region, as Southern Region will bill FEMA for Reimbursement.

Appropriation = X01.5 where the X will be the last digit of the fiscal year (i.e. 1999 = 901. 5)

Cost Center = 6802.

Fiscal Program/Program Element will always be 600.

Object Class will represent the broad designation class of services rendered. Due to the fact that this is an emergency operation, and requests for reimbursement to FEMA must be separated by object class major only, it is not necessary for the subobject classes to be extremely detailed. The initial subobject classifications for each major object class are:

2100 -	Site Visits
2223 -	Transportation of Things -Other GBL
2596 -	Other Services - Not Otherwise Classified (Contract Services)*
2696 -	Other Supplies (expendable supplies)
3140 -	Other Equipment - Noncapitalized

D-3. Procedures

a. Reimbursable Agreements - The Control, Reports and Analysis Section in Southern Region (ASO-22C) must establish reimbursable Agreement Numbers, for each Mission Assignment Number. An example of a Mission Assignment Number is DOT-90, DOT-80, DOT-01, and DOT-24. Requests for Federal Assistance (RFA) are numbered DOT-90A, DOT-90K DOT90aj. FEMA requests that Requests for Reimbursement reference the Mission Assignment Number. To establish the Reimbursable Agreement Number, fax a copy of the RFA to ASO-22C, 404-305-7045, requesting establishment.

ASO-22C will assign the reimbursable agreement number by combining the Disaster Number (Hurricane Marilyn, Virgin Islands was 1067) and the Mission Assignment Number. Example: "106790D" The Reimbursable Agreement Number must be entered in Accounting System (DAFIS) at the point of payment of the invoice. It is critical that the costs/contracts related to each Mission Assignment are kept separate, as FEMA will reverse our charge if they are not.

The following information must be provided to the Contracting Officer for issuance of the purchase order or contract:

1. Accounting Classification as described above.
2. Billing Address: FAA, AAL-42
222 W. 7th Ave., #14
Anchorage, Alaska 99513-7987

b. Initial Financial Actions - FEMA issues an Activation Letter to each ESF needed for an emergency. This Activation Letter notifies ESF-1 to respond to a disaster. It provides funding for the initial support to the Regional Operations Center (ROC) and deployment of the ERT-A (Emergency Response Team – Advanced). This team conducts the initial damage assessment. The funding is for administrative support only, such as overtime and travel for personnel. After the President has declared a disaster, a second Mission Assignment provides funding for the ESF-1.

Overtime and travel expenses will be tracked. The use of a sign in/out sheet is very important in estimating overtime. Travel expense will also need to be estimated. These estimates are needed to project when the funding authorization from FEMA will be exhausted. Prior to the funding authorization being exceeded, additional funding must be requested from FEMA, by way of an RFA.

D-4. Financial Responsibilities

There are several administrative issues that will arise that the Financial Coordinator will need to handle during the disaster.

a. Travel Orders - All people supporting the ESF-1 team must have travel orders to support their travel. If a travel order is needed, a Limited Open Authorization will include all employees of the ESF-1 team for a 90-day period. All travel vouchers for all employees, regardless of what agency, should be processed in FAA Alaskan Region. The costs will be billed directly to FEMA and other supporting agencies and administrations need bill FAA prior to requesting reimbursement from FEMA.

b. Increased Per Diem - Usually, the ESF-1 emergency response team is located near or in immediate area of the disaster. Due to the demand of ongoing relief efforts, the hotel rates may increase. If the rate increases are within the 150% increase capability of the FAA, the Financial Coordinator can increase the lodging rate for all people supporting the DOT ESF-1 team.

c. Bi-Weekly Pay Cap - Employees are usually working 12-hour shifts or longer. Depending on the hourly rate for some employees, they may exceed the bi-weekly payroll cap. Currently in DOT, each agency has the authority to waive the cap. The

Financial Coordinator will work with each agency for a waiver for their employees supporting the DOT ESF-1.

D-5. FINANCIAL MANAGEMENT CONTROL LOGS

Requests For Assistance must be properly signed by the State Coordinating officer, the Federal Coordinating Officer and the Mission Assignment Coordinator, prior to ESF-1 expending any money in support of the request.

To maintain financial control of the obligational authority given by FEMA, the Financial Coordinator tracks all costs and requests reimbursement from FEMA. Three logs and a detail record of each request or tasking facilitates tracking and billing:

a. Mission Assignment Tracking Log - Mission Assignments are issued for each tasking, whether it is a broad mission or specific taskings. Each MA must be tracked by number and amount, as well as amount expended and amount billed to FEMA. Each MA will be tracked on a separate spread sheet or log and include the following information:

- MA Number
- Description
- MA Amount (i.e. obligational authority)
- Request Number associated with MA
- Contractor Name
- Contract Number issued against the MA
- Contract Amount (creates an obligation)
- Invoice Number
- Amount Paid (Vendor Invoices)
- Date Billed to FEMA
- Cumulative Billed
- Unobligated Balance

As the log is maintained, the amounts must be monitored to assure that the MA is not exceeded and that the MA is reduced if the money is not going to be used. If the cost to support the mission is greater than the MA, then a request for additional obligational authority must be requested from FEMA. (Prepare an RFA requesting additional funds.) It is the Financial Coordinators responsibility to monitor this and request additional authority.

If and when a support agency is tasked by DOT, the financial manager must also track funds related to them separately. All the same procedures must be followed. (Support agencies are agencies outside the DOT modal administration that we request support for ESF- I taskings.)

b. Request Log - The Request Log provides for a system of control at each operating site. Each request for assistance should be logged, even if the request is cancelled. The Request Log should include the following elements:

- Request Number
- Person in ESF- I that is handling the request
- Description of Request

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- Point of Contact - name and phone number
 - Date and time request received
 - Mission Assignment Number
 - Mission Assignment Amount
 - Contract Number issued for request
 - Contract Amount
 - Vendor Name
 - Status of request

c. Request Folder - As a request is received, it will be entered in the Request Log, and a folder will be established. The folder will be labeled with the Request Number. On the front of the folder, a brief description of the request will be written for easy identification.

The folder will contain the original written request, usually a Request for Federal Assistance, (RFA). If a written request is not received, make specific notes of any verbal requests to include who, location and phone number, and who at FEMA approved the tasking. From this point on, anything related to this request will be written in the folder. Records of conversations, status of transportation, ETA's etc. It can not be over emphasized the importance of documenting all phone calls. Keep notes on specifics of items, transported, such as size, weights, number of passengers, palletized, etc. When requesting quotes from vendors for the transportation services, maintain a list of vendors, contact and amount quoted. This is used to support competitive bidding and award of contracts. This folder will become the permanent record and will provide the detail support for justifying reimbursement from FEMA.

Once a vendor has been identified to perform the services needed, fill out the Contract Form. This form will identify the information you need to obtain from the vendor, and the information you need to give the vendor to submit the invoice. **NOTE: Only the Contracting Officer acting within the scope of their authority may enter into a contract on behalf of the Government.**

It is imperative that procedures are developed with either the requester of the tasking or the vendor that proof of delivery or receiving reports are obtained. This is a requirement before the vendor will be paid. Examples of previous procedures are:

- Flight Logs for air transportation
- Receipt signatures by a FEMA employee on Bills of Lading
- Hand receipts by the requester of the tasking.

Depending on the type of transportation services, it may be necessary to complete a status of mission form. If there are multiple shipments or loads, it will be necessary to track each shipment or load. In this case, complete the status of mission form. This information will also be important to the requester, as the requester could be in a different location than the destination of the item.

When the tasking is complete, annotate the front of the folder as "COMPLETE" and update the Request Log with the status. The request log can be annotated with various ETA's during the duration of the request.

d. Contract Log - The Contract Log is used by the contracting officer to issue purchase orders/contracts, to control the number of contracts issued, and cross reference the contracts with the appropriate request.

The contract log should contain the following elements:

- Contract Number
- Request Number
- Vendor Name
- Dollar Amount of Contract
- Description of services
- Mission Assignment Number
- Status of Performance
- Miscellaneous i.e., notations on non-expendable material, serial numbers, lease periods, etc.

Once the Contracting Officer issues the purchase order or contract, they will fax a copy to the Accounting Branch, AAL-42, at 907-271-5961. Contracting Officer should also put a copy of the Purchase Order/Contract form in the request folder.

Appendices

- 1 — Annotated Request for Federal Assistance (RFA)
- 2 — RFA Process Diagram
- 3 — Action Tracking Log

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